



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

## THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3010

JAN 23 2004

The Honorable Duncan Hunter  
Chairman  
Committee on Armed Services  
U. S. House of Representatives  
Washington, DC 20515-0235

Dear Mr. Chairman:


The Department of Defense (DoD) hereby transmits the DoD 2003 inventory of activities that are not inherently governmental functions, as required by section 2 of the Federal Activities Inventory Reform (FAIR) Act of 1998, Public Law 105-270. The enclosed inventory identifies 420,961 civilian full-time equivalents (FTEs) that are engaged in performing a wide variety of commercial activities. Of these civilian FTEs, 207,652 have been identified as potential candidates for competition under the provisions of Office of Management and Budget (OMB) Circular A-76. This number does not include the large number of commercial activities already being performed by contractors in support of the DoD, nor does it include commercial depot-level maintenance and repair FTEs covered by the exception in subsection 4(b)(4) of the FAIR Act. The remaining 213,309 FTEs are exempted from competition under one or more of the categories listed in the OMB Circular.

This inventory is a snapshot in time. It depicts commercial activities within DoD as they existed in the beginning of fiscal year 2003. DoD activities are routinely under review. The commercial activities listed in this inventory may have changed substantially over time.

The Department is providing public access to the DoD 2003 FAIR Act inventory through a DoD FAIR website ([web.lmi.org/fairnet](http://web.lmi.org/fairnet)) and through copies of the inventory, which are available at the Pentagon Library and the Library of Congress. Instructions for public access to the DoD 2003 FAIR inventory were included in a Notice of Availability published in the Federal Register by OMB.

A similar letter has been sent to the President of the Senate, the Speaker of the House of Representatives, and the chairmen and ranking members of the appropriate congressional defense committees.

Sincerely,

  
Michael W. Wynne  
(Acting)

Enclosure:  
As Stated

cc:  
The Honorable Ike Skelton  
Ranking Member

